

CERTIFICATION OF ENROLLMENT  
**ENGROSSED SUBSTITUTE HOUSE BILL 1914**

Chapter 270, Laws of 2022

67th Legislature  
2022 Regular Session

MOTION PICTURE COMPETITIVENESS PROGRAM—MODIFICATION

EFFECTIVE DATE: June 9, 2022

Passed by the House March 10, 2022  
Yeas 96 Nays 2

LAURIE JINKINS

**Speaker of the House of  
Representatives**

Passed by the Senate March 10, 2022  
Yeas 45 Nays 3

DENNY HECK

**President of the Senate**

Approved March 31, 2022 4:37 PM

JAY INSLEE

**Governor of the State of Washington**

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE HOUSE BILL 1914** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BERNARD DEAN

**Chief Clerk**

FILED

April 1, 2022

**Secretary of State  
State of Washington**

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**ENGROSSED SUBSTITUTE HOUSE BILL 1914**

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AS AMENDED BY THE SENATE

Passed Legislature - 2022 Regular Session

**State of Washington**

**67th Legislature**

**2022 Regular Session**

**By** House Community & Economic Development (originally sponsored by Representatives Riccelli, Orcutt, Berry, Leavitt, McEntire, Ryu, Santos, Walen, Wicks, Ortiz-Self, Stonier, Robertson, Peterson, Rule, Vick, Goodman, Dolan, Orwall, Eslick, Barkis, Graham, Berg, Dent, Bateman, and Macri)

READ FIRST TIME 01/31/22.

1       AN ACT Relating to updating and expanding the motion picture  
2 competitiveness program; amending RCW 43.365.005, 43.365.010,  
3 43.365.030, 43.365.020, 82.04.4489, 43.365.040, and 43.365.050; and  
4 repealing 2017 3rd sp.s. c 37 s 1101 (uncodified).

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6       **Sec. 1.** RCW 43.365.005 and 2006 c 247 s 1 are each amended to  
7 read as follows:

8       The legislature recognizes the motion picture industry in  
9 Washington as a valuable commodity contributing greatly to the  
10 economic vitality of the state and the cultural integrity of our  
11 communities. The legislature further recognizes the production of in-  
12 state motion pictures, television programs, and television  
13 commercials creates a marked increase in tourism, family-wage jobs,  
14 and the sale of local goods and services generating revenue for the  
15 state. Furthermore, with captive national and international  
16 audiences, the world is introduced to the state's pristine scenic  
17 venues and reminded that the Pacific Northwest is a great place to  
18 live and raise a family. The legislature also recognizes the inherent  
19 educational value of promoting arts and culture as well as the  
20 benefits of training young motion picture professionals who will  
21 build a fruitful industry for years to come.

1 The legislature finds in recent years that the state has realized  
2 a drastic decline in motion picture production that precludes  
3 economic expansion and threatens the state's reputation as a  
4 production destination. With the emergence of tax incentives in  
5 (~~thirty~~) other states nationwide, in-state producers are taking  
6 their projects to more competitive economic climates, such as Oregon  
7 and Vancouver, British Columbia, where compelling tax incentive  
8 packages and subsidies are already in effect.

9 The legislature also finds that in recent years increasingly  
10 workers in Washington state are without health insurance coverage and  
11 retirement income protections, causing hardships on workers and their  
12 families and higher costs to the state.

13 The legislature also recognizes that there are significant  
14 barriers to entry for those from marginalized communities to enter  
15 the motion picture workforce. This results in lost opportunity for  
16 people to tell stories in film that reflect a breadth of diversity in  
17 experience across race, gender, ability, sexual orientation, and  
18 place of origin.

19 The legislature also finds that more investment in the film  
20 industry will increase revenue with Washington state businesses and  
21 create family-wage jobs that pay health and retirement benefits for  
22 Washington workers. Moreover, targeted investments in rural and  
23 marginalized communities will create opportunities to build an  
24 equitable workforce and film industry.

25 Therefore, it is the intent of the legislature to recognize both  
26 national and international competition in the motion picture  
27 production marketplace. The legislature is committed to leveling the  
28 competitive playing field and promoting an equitable film industry  
29 and is interested in a partnership with the private sector to regain  
30 Washington's place as a premier destination to make motion pictures,  
31 television, and television commercials. While at the same time the  
32 legislature is committed to ensuring that workers in the motion  
33 picture and television industry are covered under health insurance  
34 and retirement income plans and that motion picture production sets  
35 and stories reflect the diversity of Washington residents.

36 **Sec. 2.** RCW 43.365.010 and 2017 3rd sp.s. c 37 s 1103 are each  
37 amended to read as follows:

38 The definitions in this section apply throughout this chapter  
39 unless the context clearly requires otherwise.

1 (1) "Approved motion picture competitiveness program" and  
2 "program" mean(~~(s)~~) a nonprofit organization under the internal  
3 revenue code, section 501(c)(6), with the sole purpose of  
4 revitalizing the state's economic, cultural, and educational standing  
5 in the national and international market of motion picture production  
6 and associated creative industries and assisting and providing  
7 services for attracting the film industry and associated creative  
8 industries, by recommending and awarding financial assistance for  
9 costs associated with motion pictures in the state of Washington.

10 (2) "Board of directors" and "board" mean the board of directors  
11 established in RCW 43.365.030.

12 (3) "Contribution" means cash contributions.

13 (~~((3))~~) (4) "Costs" means actual expenses of production and  
14 postproduction expended in Washington state for the production of  
15 motion pictures, including but not limited to payments made for  
16 salaries, wages, and health insurance and retirement benefits, the  
17 rental costs of machinery and equipment and the purchase of services,  
18 food, property, lodging, and permits for work conducted in Washington  
19 state.

20 (~~((4))~~) (5) "Department" means the department of commerce.

21 (~~((5))~~) (6) "Funding assistance" means cash expenditures from an  
22 approved motion picture competitiveness program.

23 (~~((6))~~) (7) "Motion picture" means a recorded audiovisual  
24 production intended for distribution to the public for exhibition in  
25 public and/or private settings by means of any and all delivery  
26 systems and/or delivery platforms now or hereafter known, including  
27 without limitation, screenings in motion picture theaters, broadcasts  
28 and cablecast transmissions for viewing on televisions, computer  
29 screens, and other audiovisual receivers, viewings on screens by  
30 means of digital video disc (DVD) players, video on demand (VOD)  
31 services, and digital video recording (DVR) services, direct internet  
32 transmission, and viewing on digital computer-based systems which  
33 respond to the users' actions (interactive media).

34 (~~((7))~~) (8) "Person" has the same meaning as provided in RCW  
35 82.04.030.

36 (9) "Rural community" has the same meaning as "rural county" in  
37 RCW 82.14.370.

38 **Sec. 3.** RCW 43.365.030 and 2012 c 189 s 3 are each amended to  
39 read as follows:

1 (1) A Washington motion picture competitiveness program under  
2 this chapter must be administered by a board of directors appointed  
3 by the governor, and the appointments must be made within sixty days  
4 following enactment. The department, after consulting with the board,  
5 must adopt rules for the standards that shall be used to evaluate the  
6 applications for funding assistance prior to June 30, 2006.

7 (2) The board must evaluate and award financial assistance to  
8 motion picture projects under rules set forth under RCW 43.365.020.

9 (3) The board must consist of the following members:

10 (a) ~~((One member))~~ Two members representing the Washington motion  
11 picture production industry, one of whom must demonstrate expertise  
12 in the financing of motion picture projects;

13 ~~(b) ((One member representing the Washington motion picture~~  
14 ~~postproduction industry;~~

15 ~~(c))~~ One member representing technologies impacting the  
16 Washington ~~((interactive media or))~~ emerging motion picture industry;

17 ~~((d))~~ (c) Two members representing labor unions affiliated with  
18 Washington motion picture production;

19 ~~((e) One member representing the Washington visitors and~~  
20 ~~convention bureaus;~~

21 ~~(f) One member representing the Washington tourism industry;~~

22 ~~(g) One member representing the Washington restaurant, hotel, and~~  
23 ~~airline industry))~~ (d) Three members representing industries and  
24 businesses impacted by motion picture production, one of whom must  
25 represent industries or businesses located east of the crest of the  
26 Cascade mountain range and one of whom must represent industries or  
27 businesses located west of the crest of the Cascade mountain range;

28 (e) Two cochairs of the board's equity committee, not already  
29 serving on the board, recommended by the board to the governor;

30 (f) Two cochairs of the board's advisory committee, also known as  
31 the film leadership council, not already serving on the board,  
32 recommended by the board to the governor; and

33 ~~((h))~~ (g) A chairperson, chosen at large, must serve at the  
34 pleasure of the governor.

35 (4) The term of the board members, other than the chair, is four  
36 years, except as provided in subsection (5) of this section.

37 (5) The governor must appoint board members ~~((in 2010))~~ to ~~((two-~~  
38 ~~year or))~~ four-year staggered terms ~~((. Once the initial two-year or~~  
39 ~~four-year terms expire, all subsequent terms are for four years. The~~  
40 ~~terms of the initial board members are as follows:~~

1 ~~(a) The board positions in subsection (3) (b), (c), and (g) of~~  
2 ~~this section, and one position from subsection (3) (d) of this section~~  
3 ~~must be appointed to two-year terms; and~~

4 ~~(b) The remaining board positions in subsection (3) of this~~  
5 ~~section shall be appointed to four-year terms)), except the board~~  
6 ~~member initially appointed to the position in subsection (3) (b) of~~  
7 ~~this section and the board member initially appointed to the position~~  
8 ~~in subsection (3) (f) of this section must each be appointed to a two-~~  
9 ~~year term. Once those initial two-year terms expire, all subsequent~~  
10 ~~terms are for four years.~~

11 (6) A board member appointed by the governor may be removed by  
12 the governor for cause under RCW 43.06.070 and 43.06.080.

13 (7) ((Five)) Seven members of the board constitute a quorum.

14 (8) The board must elect a treasurer and secretary annually, and  
15 other officers as the board members determine necessary, and may  
16 adopt bylaws or rules for its own government.

17 (9) The board must make any information available at the request  
18 of the department to administer this chapter.

19 (10) Contributions received by a board must be deposited into the  
20 account described in RCW 43.365.020(2).

21 (11) Board members must comply with all requirements of a  
22 501(c) (6) organization, including the prohibition on using  
23 information obtained as a board member for personal gain. Board  
24 members must act in the best interest of the approved motion picture  
25 competitiveness program. Each board member is required to complete an  
26 annual conflicts of interest form to disclose all conflicts and  
27 potential conflicts of interest with board actions. If a board member  
28 has a conflict of interest with respect to an application for funding  
29 assistance, the board member must disclose the board member's  
30 conflict and not be present for a discussion or vote on the  
31 application.

32 **Sec. 4.** RCW 43.365.020 and 2012 c 189 s 2 are each amended to  
33 read as follows:

34 (1) The department must adopt criteria for the approved motion  
35 picture competitiveness program with the sole purpose of revitalizing  
36 the state's economic, cultural, and educational standing in the  
37 national and international market of motion picture production. Rules  
38 adopted by the department shall allow the program, within the  
39 established criteria, to provide funding assistance only when it

1 captures economic opportunities for Washington's communities and  
2 businesses and shall only be provided under a contractual arrangement  
3 with a private entity. In establishing the criteria, the department  
4 shall consider:

5 (a) The additional income and tax revenue to be retained in the  
6 state for general purposes;

7 (b) The creation and retention of family-wage jobs which provide  
8 health insurance and payments into a retirement plan;

9 (c) The impact of motion picture projects to maximize in-state  
10 labor and the use of in-state film production and film postproduction  
11 companies;

12 (d) The impact upon the local economies and the state economy as  
13 a whole, including multiplier effects;

14 (e) The intangible impact on the state and local communities that  
15 comes with motion picture projects;

16 (f) The regional, national, and international competitiveness of  
17 the motion picture filming industry;

18 (g) The revitalization of the state as a premier venue for motion  
19 picture production and national television commercial campaigns;

20 (h) Partnerships with the private sector to bolster film  
21 production in the state and serve as an educational and cultural  
22 purpose for its citizens;

23 (i) The vitality of the state's motion picture industry as a  
24 necessary and critical factor in promoting the state as a premier  
25 tourist and cultural destination;

26 (j) Giving preference to additional seasons of television series  
27 that have previously qualified and to motion picture productions that  
28 tell stories of marginalized communities; and

29 (k) Other factors the department may deem appropriate for the  
30 implementation of this chapter.

31 (2) The board of directors (~~((created under RCW 43.365.030))~~) shall  
32 create and administer an account for carrying out the purposes of  
33 subsection ~~((+3))~~ (4) of this section.

34 (3) The board's goal must be to commit at least 20 percent of  
35 funding assistance to motion picture productions located or filmed in  
36 rural communities and 20 percent of funding assistance to motion  
37 picture productions that tell stories of marginalized communities.

38 (4) Money received by the approved motion picture competitiveness  
39 program shall be used only for:

1 (a) Health insurance and payments into a retirement plan, and  
2 other costs associated with film production; ~~((and))~~

3 (b) Staff and related expenses to maintain the program's proper  
4 administration and operation;

5 (c) Supporting the growth and development of the Washington state  
6 film industry through career connected learning, workforce  
7 development, and business development with a focus on better  
8 supporting people from marginalized or rural communities; and

9 (d) Developing resources to facilitate filming in rural  
10 communities including, but not limited to, economic development  
11 grants for filming, training for film liaisons, information about  
12 film permitting processes, and grants to support the expansion of  
13 location database collateral.

14 ~~((4))~~ (5) Except as provided otherwise in subsections ~~((7))~~  
15 (8) and (9) of this section, maximum funding assistance from the  
16 approved motion picture competitiveness program is limited to an  
17 amount up to thirty percent of the total actual investment in the  
18 state of at least:

19 (a) Five hundred thousand dollars for a single motion picture  
20 produced in Washington state; or

21 (b) One hundred fifty thousand dollars for a television  
22 commercial associated with a national or regional advertisement  
23 campaign produced in Washington state.

24 ~~((5))~~ (6) Except as provided otherwise in subsections ~~((7))~~  
25 (8) and (9) of this section, maximum funding assistance from the  
26 approved motion picture competitiveness program is limited to an  
27 amount up to thirty-five percent of the total actual investment of at  
28 least three hundred thousand dollars per episode produced in  
29 Washington state. A minimum of six episodes of a series must be  
30 produced to qualify under this subsection. A maximum of up to thirty  
31 percent of the total actual investment from the approved motion  
32 picture competitiveness program may be awarded to an episodic series  
33 of less than six episodes.

34 ~~((6))~~ (7) With respect to costs associated with nonstate labor  
35 for motion pictures and episodic services, funding assistance from  
36 the approved motion picture competitiveness program is limited to an  
37 amount up to fifteen percent of the total actual investment used for  
38 costs associated with nonstate labor. To qualify under this  
39 subsection, the production must have a labor force of at least



1 eighty-five percent of Washington residents. The board may establish  
2 additional criteria to maximize the use of in-state labor.

3 ~~((+7))~~ (8)(a) The approved motion picture competitiveness  
4 program may allocate an annual aggregate of no more than ten percent  
5 of the qualifying contributions by the program under RCW 82.04.4489  
6 to provide funding support for filmmakers who are Washington  
7 residents, new forms of production, and emerging technologies.

8 (i) Up to thirty percent of the actual investment for a motion  
9 picture with an actual investment lower than that of motion pictures  
10 under subsection ~~((+4))~~ (5)(a) of this section; or

11 (ii) Up to thirty percent of the actual investment of an  
12 interactive motion picture intended for multiplatform exhibition and  
13 distribution.

14 (b) Subsections ~~((+4) and)~~ (5) and (6) of this section do not  
15 apply to this subsection.

16 ~~((+8))~~ (9)(a) In addition to the maximum funding assistance  
17 established in subsections (5) and (6) of this section, up to a 10  
18 percent enhancement award on a motion picture production's state  
19 investment must be given for motion pictures: (i) Located or filmed  
20 in a rural community; or (ii) that tell stories of marginalized  
21 communities.

22 (b) Total actual investment requirements established in  
23 subsections (5) and (6) of this section apply to this subsection (9).

24 (10)(a) Funding assistance must include up to \$3,000,000 for  
25 small motion picture productions produced in Washington state,  
26 subject to subsection (11) of this section, that are creatively  
27 driven by Washington residents. To qualify, the small motion picture  
28 production must have at least two Washington residents in any  
29 combination of the following positions: Writer, director, producer,  
30 or lead actor. An entity seeking funding assistance for a small  
31 motion picture production must demonstrate that the amount of the  
32 total actual investment for the production is less than \$1,000,000.

33 (b) Maximum funding assistance and total actual investment  
34 requirements, established in subsections (5), (6), (7), (8), and (9)  
35 of this section apply to small motion picture productions. The  
36 department shall adopt rules as necessary to implement this  
37 subsection (10).

38 (11) Funding assistance approval must be determined by the  
39 approved motion picture competitiveness program within a maximum of  
40 thirty calendar days from when the application is received, if the

1 application is submitted after August 15, 2006. For small motion  
2 picture productions, the approved motion picture competitiveness  
3 program, after determining a conditional approval of the production,  
4 shall hold the production's funding assistance in reserve while the  
5 entity seeking funding assistance for the production secures  
6 financing for the remainder of the budget. Once the entity seeking  
7 funding assistance for the production demonstrates to the program  
8 that it has secured the necessary financing, the program shall  
9 certify the small motion picture production as approved. If the  
10 entity seeking funding assistance cannot demonstrate within six  
11 months from the date of conditional approval that it has secured the  
12 total budget, the program must make the funding assistance available  
13 to other eligible applicants with funding assistance approval.

14 (12) By December 31, 2022, and annually thereafter, the  
15 department, on behalf of the board, must report to the legislature on  
16 the approved motion picture competitiveness program. This report may  
17 include information required in the survey established in RCW  
18 43.365.040. At a minimum, the report must include an annual list of  
19 recipients awarded financial assistance from the prior year with  
20 total estimated production costs, locations of each production, and  
21 the board's progress towards the goal of at least 20 percent of its  
22 funding assistance provided to motion picture productions located or  
23 filmed in rural communities and 20 percent of its funding assistance  
24 provided to motion picture productions that tell stories of  
25 marginalized communities. The report must also include information on  
26 workforce development, career connected learning, and business  
27 development activities, including whether they have been scaled up in  
28 size from the previous year and how they are meeting the goal of  
29 supporting people from marginalized communities.

30 (13) The approved motion picture competitiveness program must  
31 allocate funds for training and job placement for marginalized  
32 communities as follows:

33 (a) For fiscal years 2023 and 2024, a minimum of \$500,000 for  
34 each fiscal year; and

35 (b) For each fiscal year on or after July 1, 2024, a minimum of  
36 \$750,000.

37 **Sec. 5.** RCW 82.04.4489 and 2017 3rd sp.s. c 37 s 1102 are each  
38 amended to read as follows:

1 (1) Subject to the limitations in this section, a credit is  
2 allowed against the tax imposed under this chapter for contributions  
3 made by a person to a Washington motion picture competitiveness  
4 program.

5 (2) The person must make the contribution before claiming a  
6 credit authorized under this section. Credits earned under this  
7 section may be claimed against taxes due for the calendar year in  
8 which the contribution is made. The amount of credit claimed for a  
9 reporting period may not exceed the tax otherwise due under this  
10 chapter for that reporting period. No person may claim more than  
11 (~~seven hundred fifty thousand dollars~~) \$1,000,000 of credit in any  
12 calendar year, including credit carried over from a previous calendar  
13 year. No refunds may be granted for any unused credits.

14 (3) The maximum credit that may be earned for each calendar year  
15 under this section for a person is limited to the lesser of (~~seven  
16 hundred fifty thousand dollars~~) \$1,000,000 or an amount equal to one  
17 hundred percent of the contributions made by the person to a program  
18 during the calendar year.

19 (4) Except as provided under subsection (5) of this section, a  
20 tax credit claimed under this section may not be carried over to  
21 another year.

22 (5) Any amount of tax credit otherwise allowable under this  
23 section not claimed by the person in any calendar year may be carried  
24 over and claimed against the person's tax liability for the next  
25 succeeding calendar year. Any credit remaining unused in the next  
26 succeeding calendar year may be carried forward and claimed against  
27 the person's tax liability for the second succeeding calendar year;  
28 and any credit not used in that second succeeding calendar year may  
29 be carried over and claimed against the person's tax liability for  
30 the third succeeding calendar year, but may not be carried over for  
31 any calendar year thereafter.

32 (6) Credits are available on a first-in-time basis. The  
33 department must disallow any credits, or portion thereof, that would  
34 cause the total amount of credits claimed under this section during  
35 any calendar year to exceed (~~three million five hundred thousand  
36 dollars~~) \$15,000,000. If this limitation is reached, the department  
37 must notify all Washington motion picture competitiveness programs  
38 that the annual statewide limit has been met. In addition, the  
39 department must provide written notice to any person who has claimed  
40 tax credits in excess of the limitation in this subsection. The

1 notice must indicate the amount of tax due and provide that the tax  
2 be paid within thirty days from the date of the notice. The  
3 department may not assess penalties and interest as provided in  
4 chapter 82.32 RCW on the amount due in the initial notice if the  
5 amount due is paid by the due date specified in the notice, or any  
6 extension thereof.

7 (7) To claim a credit under this section, a person must  
8 electronically file with the department all returns, forms, and any  
9 other information required by the department, in an electronic format  
10 as provided or approved by the department. Any return, form, or  
11 information required to be filed in an electronic format under this  
12 section is not filed until received by the department in an  
13 electronic format. As used in this subsection, "returns" has the same  
14 meaning as "return" in RCW 82.32.050.

15 (8) No application is necessary for the tax credit. The person  
16 must keep records necessary for the department to verify eligibility  
17 under this section.

18 (9) A Washington motion picture competitiveness program must  
19 provide to the department, upon request, such information needed to  
20 verify eligibility for credit under this section, including  
21 information regarding contributions received by the program.

22 (10) The department may not allow any credit under this section  
23 before July 1, 2006.

24 (11) For the purposes of this section, "Washington motion picture  
25 competitiveness program" or "program" means an organization  
26 established pursuant to chapter 43.365 RCW.

27 (12) Persons claiming a credit against the tax imposed under this  
28 chapter for contributions made to a Washington motion picture  
29 competitiveness program and not otherwise receiving funding  
30 assistance under RCW 43.365.020 are exempt from the annual reporting  
31 requirements in RCW 82.32.534 and 43.365.040.

32 (13) No credit may be earned for contributions made on or after  
33 July 1, ((2027)) 2030.

34 **Sec. 6.** RCW 43.365.040 and 2012 c 189 s 5 are each amended to  
35 read as follows:

36 (1) The legislature finds that accountability and effectiveness  
37 are important aspects of setting tax policy. In order to make policy  
38 choices regarding the best use of limited state resources the  
39 legislature needs information on how incentives are used.

1 (2) Each motion picture production receiving funding assistance  
2 under RCW 43.365.020 must report information to the department by  
3 filing a complete annual survey. The survey is due by March 31st of  
4 the year following any calendar year in which funding assistance  
5 under RCW 43.365.020 is taken. The department may extend the due date  
6 for timely filing of annual surveys under this section if failure to  
7 file was the result of circumstances beyond the control of the motion  
8 picture production receiving the funding assistance.

9 (3) The Washington motion picture competitiveness program  
10 established in RCW 43.365.030, in collaboration with the department  
11 and the department of revenue, and in consultation with the joint  
12 legislative audit and review committee, must develop a survey form  
13 and instructions that accompany the survey form by November 1, 2012.  
14 The instructions must provide sufficient detail to ensure consistent  
15 reporting. The survey must be designed to acquire data to allow the  
16 state to better measure the effectiveness of the program and to  
17 provide transparency of the motion picture competitiveness program.  
18 The survey must include:

19 (a) The total amount of taxes paid;

20 (b) The amount of taxes paid classified by type, which may  
21 include, but is not limited to, sales taxes, use taxes, business and  
22 occupation taxes, unemployment insurance taxes, and workers'  
23 compensation premiums;

24 (c) The amount of funding assistance received; and

25 (d) The following information for employment positions in  
26 Washington by the motion picture production receiving funding  
27 assistance, including indirect employment by contractors or other  
28 affiliates:

29 (i) The number of total employment positions;

30 (ii) The average number of hours worked by employed individuals;

31 (iii) The average base pay of individuals employed by motion  
32 picture companies, including contributions to health care benefits  
33 and retirement plans;

34 (iv) The number of employment positions that have employer-  
35 provided medical, dental, and retirement benefits; and

36 (v) The number of employment positions filled by Washington state  
37 residents, and residency information for employment positions filled  
38 by people from other locations.

1 (4) The department may request additional information necessary  
2 to measure the results of the funding assistance (~~(program)~~), to be  
3 submitted at the same time as the survey.

4 (5) If a person fails to submit an annual survey under subsection  
5 (2) of this section by the due date of the report or any extension  
6 the department must declare the amount of funding assistance for the  
7 previous calendar year to be immediately due and payable. The  
8 department must assess interest, but not penalties, on the amounts  
9 due under this section. The interest is assessed at the rate provided  
10 for delinquent taxes under chapter 82.32 RCW, retroactively to the  
11 date the funding assistance was received, and accrues until the  
12 funding assistance is repaid.

13 (6) The department must use the information from this section to  
14 prepare summary descriptive statistics. The department must report  
15 these statistics to the legislature each even-numbered year by  
16 September 1st. The department must provide the complete annual  
17 surveys to the joint legislative audit and review committee, which  
18 shall perform a review as required under RCW 43.365.050.

19 (7) The motion picture competitiveness program must periodically  
20 audit and generally monitor the survey information submitted by  
21 production companies for completeness and accuracy.

22 **Sec. 7.** RCW 43.365.050 and 2006 c 247 s 7 are each amended to  
23 read as follows:

24 (~~The provisions of RCW 82.04.4489 are subject to review by the~~  
25 ~~joint legislative audit and review committee.~~) (1) It is the  
26 legislature's specific public policy objective to increase the  
27 viability of the motion picture and film industry and associated  
28 creative industries in Washington state. It is the legislature's  
29 intent to increase the credit available under RCW 82.04.4489 in order  
30 to attract additional motion picture and film projects, thereby  
31 increasing family-wage jobs.

32 (2) The joint legislative audit and review committee ((will))  
33 must review and make a recommendation to the (~~house finance~~  
34 ~~committee and the senate ways and means committee)) fiscal committees  
35 of the legislature by December 1, (~~(2010))~~ 2026, regarding the  
36 effectiveness of the motion picture competitiveness program  
37 including, but not limited to, the amount of state revenue generated,  
38 the amount and number of family (~~(wages-[wage])~~) -wage jobs with  
39 benefits created, adherence to the criteria in RCW 43.365.020,~~

1 changes in Washington's share of the film employment market, and any  
2 other factors deemed appropriate by the joint legislative audit and  
3 review committee.

4 (3) In order to obtain the data necessary to perform the review  
5 in subsection (2) of this section, the joint legislative audit and  
6 review committee may refer to tax data provided to the department of  
7 revenue and the annual survey required under RCW 43.365.040.

8 NEW SECTION. Sec. 8. 2017 3rd sp.s. c 37 s 1101 (uncodified) is  
9 repealed.

Passed by the House March 10, 2022.

Passed by the Senate March 10, 2022.

Approved by the Governor March 31, 2022.

Filed in Office of Secretary of State April 1, 2022.

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